

VZCZCXRO8969
OO RUEHCN RUEHGH
DE RUEHIN #0392/01 0791006
ZNY CCCCC ZZH
O 191006Z MAR 08
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8421
INFO RUEHBJ/AMEMBASSY BEIJING 7980
RUEHUL/AMEMBASSY SEOUL 9445
RUEHKO/AMEMBASSY TOKYO 9704
RUEHCN/AMCONSUL CHENGDU 2487
RUEHGZ/AMCONSUL GUANGZHOU 1047
RUEHHK/AMCONSUL HONG KONG 9234
RUEHGH/AMCONSUL SHANGHAI 1862
RUEHSH/AMCONSUL SHENYANG 6457
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000392

SIPDIS

SIPDIS

E.O. 12958: DECL: 03/19/2023

TAGS: [PGOV](#) [TW](#)

SUBJECT: KMT LY SPEAKER WANG JIN-PYNG PREDICTS MA VICTORY,
DESPITE LAST MINUTE MUDSLINGING

Classified By: Director Stephen M. Young, Reason(s): 1.4 (B/D).

¶1. (C) Summary: In a meeting with the Director and Deputy Director on March 18, KMT LY Speaker Wang Jin-pyng expressed concern that recent events in Tibet and the ongoing green card scandal may have dwindled Ma's lead. Wang also worried about mudslinging in the final days of the campaign, but remained optimistic about Ma's chances of victory. Ma should win by at least 200 thousand votes, predicted Wang, but if Hsieh wins, it will only be by the narrowest of margins. Both referenda will certainly fail, he assured. Former president Lee Teng-hui probably won't endorse either candidate because others in his TSU party have already spoken for him. If Ma becomes president, Wang insisted, Taiwan's democracy will not stagnate as Lee and others have claimed, because Ma and the KMT will focus on good governance. China remains suspicious of Ma as "too pro-U.S." but they will welcome his presidency. End Summary.

Tibet's Shadow Touches Taiwan

¶2. (C) In response to the Director's question, Wang agreed that the crisis in Tibet had definitely become a major factor in the Taiwan presidential race. DPP presidential candidate Frank Hsieh has claimed, wrongly argued Wang, that "Taiwan would become the next Tibet" if Ma were elected. Wang echoed what AIT has heard from other KMT leaders, namely that Taiwan, unlike Tibet, is not under Chinese dominion or control, elects its own leaders, and maintains its own armed forces. Wang agreed with the Director's assertion that the Dalai Lama has acted as a check on the Tibetan separatists' use of violence to achieve their aims, and that matters could become more volatile after his death.

Green Card Won't Go Away

¶3. (C) Wang asked the Director to comment on recent public accusations by DPP legislator Chai Trong-rong that Ma's green card is still valid. The Director asked Wang whether Chai had been able to present any form of hard evidence to back up his claims, or if they remained unproven assertions. Wang replied that Chai had claimed to have a document from unnamed U.S. immigration authorities confirming the validity of Ma's green card. The Director told Wang he doubted Chai had

obtained information from a U.S. government source. Wang said DPP operatives were currently scouring the island to find others who obtained their green cards around the same time as Ma, in hopes of proving that such cards could still be valid twenty-odd years later. Such cases if they exist are irrelevant to Ma, argued Wang, but they enable the DPP keep the scandal alive.

14. (C) The Director asked Wang whether the green card issue was an important issue for Taiwan's voters. According to Wang, "99 percent" of Taiwan's population do not have travel visas to other countries, let alone dual citizenship. If things go bad for Taiwan, he explained, those people believe that they are all "stuck" on the island, but not Ma. Ma has a "valid" green card, the DPP argument goes, so he can flee to America if the going gets rough, proving he is not "committed" to Taiwan. Taiwan has some 70 thousand U.S.-Taiwan dual nationals, remarked the Director, who might not appreciate the implication they too are not loyal to Taiwan. Even if Ma's green card is invalid, Wang noted, the DPP will argue that Ma's daughter is an Amcit, and that Ma could obtain a new green card at any time.

Now a Five Point Race?

15. (C) The March 12 KMT legislators' "door-kicking" incident continues to be a serious problem for Ma, Wang told the Director, with KMT polls indicating that it may have cost Ma some 300 thousand votes. Polls prior to March 12 suggested that Ma would win the race by some 600 thousand votes. The March 12 debacle may have cut that margin in half, Wang worried, and Hsieh's constant attacks on Ma's green card, Tibet, and the "one China market" have undoubtedly diminished

TAIPEI 00000392 002 OF 003

Ma's lead even further, perhaps bringing the race to within 5-6 points. Ma will most likely win by at least 200 thousand votes, predicted Wang, with Hsieh's only hope being to win in a squeaker.

No Chance for Referenda

16. (C) Wang predicted that neither UN referendum would pass. The KMT had to support its own referendum, explained Wang, because it was an important part of Ma's "love Taiwan" campaign plank. According to Wang, the KMT created some political cover for itself by asking other parties, namely the deep-Blue New Party, to initiate the call for a boycott.

Mudslide in Final Days

17. (C) Wang predicted there will be more mudslinging from the Hsieh camp during the last two days of the campaign. He said that "Next" magazine will report in its next issue that at least 17 sitting KMT legislators currently hold U.S. passports or green cards, in violation of a Taiwan law that forbids dual nationals from holding public office. Investigations are already underway in the LY, said Wang, to determine the status of KMT legislator Lee Ching-an's alleged US citizenship. Wang told the Director he has also heard that the DPP has located the former mistress of Ma's father, and her estranged husband. Both are expected to hold press conferences on the eve of the election, leaving no time for Ma to respond to whatever accusations they might level.

Wealth Gap is Chief Economic Problem

18. (C) The global economic downturn had certainly affected Taiwan, Wang said, and could have an impact on the presidential race. Whoever wins the presidency will have great difficulty restoring Taiwan's economy, he continued, because many of the factors which affect Taiwan's economy are

beyond the government's control. Wang opined that Taiwan's biggest economic problem was the continued growth of the "wealth gap" separating Taiwan's rich and poor.

Cross-Strait Prospects

¶9. (C) Aside from the Tibet issue, China has managed to avoid becoming an issue in this presidential election, said Wang. The question now, replied the Director, is whether and to what extent China will be willing to work with Taiwan's next president. Ma and Hsieh will encounter different problems in trying to work with Beijing, Wang predicted. As a "waishengren" (mainlander) negotiating closer links with China, Ma will have to tread very slowly and carefully to maintain the Taiwan people's trust. China would welcome a Ma presidency, insisted Wang, even though they perceive him as too "pro-U.S." As a "Taiwanese," Hsieh won't have to guard that flank, Wang continued, but his party will not allow him to accept the "one China, different interpretations" framework demanded by China as a precursor to talks.

Lee Teng-Hui: No Endorsement

¶10. (C) Former president Lee Teng-hui will not endorse either candidate because he no longer has to, reasoned Wang. Several prominent TSU members have joined the DPP, explained Wang. Others have publicly supported Hsieh. In essence, Wang continued, these TSU leaders have signaled to Taiwan voters where the TSU (and Lee) stand. If TSU members had defected to the KMT, said Wang, Lee might have been compelled to publicly break with them in favor of Hsieh. That didn't happen, concluded Wang, so there is no need for Lee to endorse Hsieh, especially at the risk of offending Ma and others.

Democracy Will Prosper Under KMT

TAIPEI 00000392 003 OF 003

¶11. (C) Wang assured the Director that while the KMT might have difficulty controlling corruption in the LY, Ma and the KMT leadership would continue anti-corruption and other party reforms. If Ma wins, added Wang, Taiwan's democracy will progress too, because of, and not despite, the KMT's overwhelming dominance. A Ma administration will emphasize good governance, and the KMT will use its legislative majority to push through needed reforms. Only four issues threaten to cause strife in the LY, said Wang: reform of the National Communications Commission (NCC), laws governing Taiwan banking operations in the PRC, pension subsidies for retired KMT soldiers, and reconfiguring the Central Election Commission (CEC). Those issues aside, predicted Wang, the LY would be able to move forward on a variety of important bills.

YOUNG